

Chapter 8 Separation Benefits Fund

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§ 8-1. Purpose

There is hereby created a Reserve for Separation Benefits Fund to provide funding resources for the purpose of paying accrued employee benefits upon separation, termination or retirement. These funds will be used as part of a financial plan to ensure that the Town maintains sufficient funds to pay benefits earned upon separation, termination or retirement.

§ 8-2. Contributions to Fund

Contributions to the fund shall be received from: a) appropriations made in the annual budget; special appropriations and/or emergency appropriations consistent with the Town Charter and/or; b) a general fund contribution of excess funds remaining within personnel costs after all budgetary personnel costs have been covered for the fiscal year and the contribution has been authorized by the Board of Finance.

§ 8-3. Use of Money from Fund

The use of the funds may be included for future use in the Town's General Fund budget to offset accrued employee benefits upon separation, termination or retirement. The Board of Finance may, from time to time, authorize a special appropriation to transfer funds from the Reserve for Separation Benefits Fund. The funds which remain at the close of each fiscal year within the Reserve for Separation Benefits Fund shall remain in the fund balance of said fund and shall not, therefore, be lapsed to the balance of the General Fund.

§ 8-4. Fund Administration

The fund shall be administered in accordance with the Town's investment practices which are in compliance with its Charter and the Connecticut General Statutes.